

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

HORIZON CELLULAR TELEPHONE COMPANY)	
OF CENTRAL KENTUCKY, L.P., A DELAWARE)	CASE NO.
LIMITED PARTNERSHIP, FOR AUTHORITY)	93-343
TO ASSUME CERTAIN LIABILITIES)	

O R D E R

On September 14, 1993, Horizon Cellular Telephone Company of Central Kentucky, L.P. ("Horizon") filed its application pursuant to KRB 270.300 requesting authority to assume certain liabilities with respect to indebtedness to be incurred by Horizon's limited partner, Horizon Cellular Telephone Company, L.P. ("HCTC"), a Delaware limited partnership and its wholly-owned subsidiary, Horizon Finance Corporation, a Delaware corporation.

On October 5, 1993, the Commission issued its order granting Horizon's application. On July 28, 1994, Horizon filed an application seeking to amend the financing approved in the October 5, 1993 Order.

Horizon requests that its previously approved financing be amended for the purposes of: (1) adding additional lenders to the credit facility, (2) replacing a lender, (3) increasing the general line of credit from sixty-five million dollars (\$65,000,000) to eighty million dollars (\$80,000,000), (4) providing an additional Purchase Money Credit Line of ten million dollars (\$10,000,000), (5) financing future acquisitions of cellular telephone systems by the Company and its affiliates, (6) funding the general operating

requirements, including capital expenditures and working capital needs of the Company and its affiliates, and (7) amending certain covenants and scheduled amortization of the credit facility, each as more particularly described in Exhibit 1.

In order to facilitate the Credit Agreement, Horizon will be required to enter into certain amended and restated subsidiary pledge and security agreements wherein all of its assets will be pledged as security for the amounts to be borrowed by HCTC pursuant to the Credit Agreement, excluding the Purchase Money loans. In addition, HCTC will be required to pledge the partnership interests of Horizon as security for the amounts to be borrowed pursuant to the Credit Agreement, excluding the Purchase Money loans. This same security was provided with respect to the original line of credit. The Amended and Restated Subsidiary Pledge Agreement is included as Exhibit 2 of the July 28, 1994 filing.

The Commission, having considered the evidence of record and being sufficiently advised, finds that the amendments proposed by Horizon are for the lawful objects within the corporate purposes of Horizon's operations, are necessary or appropriate for and consistent with the proper performance of its service to the public, will not impair its ability to perform that service, are reasonably necessary and appropriate for such purposes, and should therefore be approved.

IT IS THEREFORE ORDERED that:

1. Horizon be and it hereby is authorized to incur the liabilities associated with the indebtedness evidenced by the amended agreements in its July 28, 1994 filing.

2. Horizon shall, within 30 days after the consummation of the agreement referred to herein, file with the Commission a statement setting forth the date or dates of the consummation of the transactions authorized herein, the price paid, the interest rates, and all fees and expenses, including underwriting discounts or commission or other compensation, involved in the issuance and distribution.

3. The proceeds from the transactions authorized herein shall be used only for the lawful purposes as set out in the application.


Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the indebtedness authorized herein.

Done at Frankfort, Kentucky, this 15th day of August, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director